

Employees' Retirement System of Rhode Island (ERSRI)

Request for Proposals for Investigative Services

Request for Proposal No. 2013-001



Issued January 9, 2013

Gina M. Raimondo
General Treasurer and Chairperson of the Employees' Retirement System
of Rhode Island Board

Frank J. Karpinski
Executive Director of ERSRI

SECTION 1: OVERVIEW

1-1. Executive Summary

Through this Request for Proposals ("RFP"), the Employees' Retirement System of Rhode Island ("ERSRI"/"System") is soliciting proposals from a qualified individual(s) and/or firm(s) ("Bidder") to provide investigative services relating to disability benefits and application of certain pension benefits pursuant Rhode Island General Laws.

1-2. Minimum Bidder Qualifications

The Bidder must be or employ a licensed private detective in accordance with the Private Detective Act codified in Rhode Island General Laws (RIGL) Ch. 5-5. The Private Detective Act may be found at <http://webserver.rilin.state.ri.us/Statutes/TITLE5/5-5/INDEX.HTM>.

1-3. RFP Timeline

Please see the below timeline. Note that the timeline may change. Any change will be posted online at <https://www.ersri.org/public/documentation/Ammendment-1-toRFP.pdf>.

Release Date of the RFP:	January 9, 2013 – 4 PM
Questions Due by:	January 23, 2013 – 4 PM
Responses to Questions proposed:	February 6, 2013 – 4 PM
Responses Due by:	February 20, 2013 – 4 PM

For further details regarding submitting questions and responses, please see SECTION 4.

1-4. RFP Contact Persons

Unless otherwise instructed, the only points of contact for questions and all other matters relating to this RFP are:

Melissa A. Malone, Esq.
Employees' Retirement System of Rhode Island
50 Service Avenue
Warwick, Rhode Island 02886
mmalone@ersri.org 401.462.7615

Andrew S. Marcaccio, Esq.
Employees' Retirement System of Rhode Island
50 Service Avenue
Warwick, Rhode Island 02886
amarcaccio@ersri.org 401.462.7637

SECTION 2: RFP GUIDELINES

2-1. Governing Authority

This RFP is issued in compliance with Regulation No. 2 of the Employees' Retirement System of Rhode Island and Municipal Employees' Retirement System Regulations entitled " Rules Concerning the Procurement of Supplies and Services." A copy of Regulation No. 2 and the full Employees' Retirement System of Rhode Island and Municipal Employees' Retirement System Regulations can be found at: <http://sos.ri.gov/documents/archives/regdocs/released/pdf/GT/6694.pdf>.

2-2. Complete Responses

All terms, conditions, requirements, and procedures included in this RFP must be met for a proposal to be determined responsive. This includes the completion of all certifications and other documents required in addition to responses to all questions. A proposal that fails to meet such requirements will be deemed unresponsive and may be disqualified.

2-3. Bidder Communication

The Bidder is prohibited from communicating directly with any employee of the Office of the General Treasurer including employees of the Employees' Retirement System of Rhode Island or any member of the Retirement Board, except as specified in this RFP. Unless specifically permitted in this RFP, no employee or member is authorized to provide any information or respond to any question or inquiry concerning this RFP. An exception to this guideline applies to individuals or a Bidder that currently does business with the System or Retirement Board and such exceptions shall be limited to that business and should not relate to this RFP. Failure to observe this guideline may result in disqualification.

2-4. Period of Proposal Validity

The Bidder shall agree to maintain the validity of the proposal for a minimum of 120 days from the date of submission. This term may be extended by mutual agreement between the Bidder and the System.

2-5. Costs

The System will not compensate the Bidder for any costs that are not explicitly identified in the Bidder's contract. The System will not be responsible for any costs or expenses incurred by the Bidder in responding to this RFP.

2-6. On Site Visits

The System reserves the right to conduct an on-site inspection of all of Bidder's office locations at any time prior to the awarding of this contract to verify the Bidder's ability to perform the services required. The System will schedule the time of these visits and will provide notice of at least three (3) business days.

2-7 Access to Public Records Act

Unless otherwise provided by law, all procurement information relating to this RFP shall be a public record in accordance with the Rhode Island Access to Public Records Act (RIGL Ch. 38-2). A copy of the Public Records Act may be found at <http://webserver.rilin.state.ri.us/Statutes/TITLE38/38-2/INDEX.HTM>.

2-8 Contribution Disclosure

Any firm responding to this RFP must disclose all contributions made by any firm-administered Political Action Committee and/or any contributions made by any principals of the firm to any Rhode Island political candidate during the past three years. Further, the Bidder must agree to comply with the terms of Rhode Island's General Laws § 17-27-1 through § 17-27-5, "Reporting of Political Contributions by State Vendors."

2-9 Method of Selection & Scoring Criteria

The services described in this RFP will be awarded using a competitive negotiation method as described in Regulation No. 2, Section 2.1.3 of the Employees' Retirement System of Rhode Island and Municipal Employees' Retirement System Regulations entitled "Rules Concerning the Procurement of Supplies and Services." The evaluation criteria used will be as follows:

Bidder Qualifications	40%
(includes but not limited to: business experience; experience of key staff; business reputation and stability; reputation and stability of key staff; references; and violations/standing)	
Proposed Project Methodology	30%
Fees	20%
Other Value Added	10%

SECTION 3: SCOPE OF SERVICES

3-1. Background of the System

The System is the major public retirement agency in the state of Rhode Island with approximately \$7 billion in pension assets. In addition to providing retirement, death, and disability benefits to Rhode Island State employees, it also provides benefits to Rhode Island public school teachers and participants in over 115 municipal plans. The plan has approximately 60,000 total members including active employees and retirees. Further information regarding ERSRI membership can be obtained from the actuarial valuations. <https://www.ersri.org/public/actuarialValuations/index.jsp>

3-2. Purpose of Providing Investigative Services

The System administers disability pension payments for most State employees, all teachers, and all members of the 115 municipal plans. The System also administers the Teachers' Survivor Benefit (TSB) plan, other survivor pension options, and is charged with overseeing post retirement employment of retirees. The Bidder will assist the System ensure compliance with Rhode Island General Laws. The System provides in part benefits pursuant to Rhode Island General Laws Titles, 16, 36, and 45.

The Bidder is expected to professionally obtain information that will allow the System to verify that the member and/or survivor is eligible pursuant to Rhode Island General Laws to receive a benefit from the System. Specifically, the investigative services will be used to confirm information presented to ERSRI, and ensure the integrity of payments made from ERSRI.

3-3. Investigative Process

The process typically will begin with a referral from ERSRI staff. Referrals may originate from a variety of sources including but not limited to: a random selection of members' files to confirm the accuracy of members' self-reporting; Disability Fraud Hotline calls, employers, and other federal or State agencies. Bidder will be asked to conduct an investigation and obtain information from third-parties, ERSRI members, public databases, and as necessary conduct surveillance.

Upon completion of the investigation, a report detailing the investigation shall be delivered to the System in a timely manner. In no event, will the selected Bidder determine whether a person is eligible to receive pension payments and/or has committed an act inconsistent with the disability laws or regulations. The System may modify and/or establish a more detailed process in order to efficiently carry out the purpose of the investigative services. The Bidder's report may be presented to law enforcement agencies working with the System to ensure compliance with Rhode Island General Laws. The Bidder may be required to testify and/or provide signed affidavits regarding its investigations to law enforcement agencies.

3-4. Professionalism

The selected Bidder shall perform all investigations in a lawful manner. The selected Bidder shall treat all contacts including members/beneficiaries of the System, staff of the System and other governmental agencies, in a professional, courteous and respectful manner.

SECTION 4. INSTRUCTIONS FOR BIDDER RESPONSES

4-1. Submission of Bidder Questions

All questions the Bidder wishes to submit relating to this RFP shall be submitted in writing and shall be emailed or mailed to the RFP Contact Person(s) as listed in SECTION 1-4 by **January 23, 2013 - 4PM (EST)**. All questions will be answered by the System and posted online by **February 6, 2013**. <http://ersri.org/public/documentation/investigatorRFP.questions&answers.pdf>

In addition, all questions received by the **January 23, 2012** deadline will be answered in writing and sent via email to all parties who submitted questions and all parties who request in writing before **January 23, 2013** to receive notification of the questions and answers. This procedure will constitute the bidders conference as referenced in Employees' Retirement System of Rhode Island and Municipal Employees' Retirement System Regulation No. 3 § 2.4(c) Concerning the Selection of Consultants.

4-2. Submission of Bidder Responses

The Bidder shall email a copy of his or her or its proposal as a PDF or WORD document to the RFP Contact Person as listed in SECTION 1-4 and deliver three (3) hard copies of his or her or its response to the RFP Contact Person at 50 Service Avenue, Warwick, RI 02886. The electronic and hard copies must be received by the RFP Contact Person by **February 20, 2013 - 4PM (EST)**. Proposals become the property of ERSRI upon submission and will not be returned.

Any firm that wishes to correct, amend or supplement their proposal must do so prior to the filing deadline and must do so by withdrawing its proposal in its entirety and submitting a complete, corrected proposal package. Modification in any other manner will not be accepted.

Please note that email attachments over 10MB will not be received due to the size of the document. If your proposal PDF or WORD document is over 10MB, please break up the document into multiple PDFs or WORD documents and send via multiple emails to ensure delivery. Submission of proposals or any portion thereof via fax shall not be accepted.

4-3. Formatting Instructions

Please label all submitted answers and documents by including the appropriate referenced section number next to each submitted answer and document.

SECTION 5. BIDDER RESPONSES

5-1. Cover Letter

Please provide a cover letter summarizing why the System should retain your services. The cover letter shall not exceed two (2) pages.

5-2. Contact Information

Please complete the following chart.

Bidder's Name	
Primary Contact Information	
Name	
Title	
Mailing Address	
Email Address	
Telephone Number	
Secondary Contact (if applicable)	
Name	
Title	
Mailing Address	
Email Address	
Telephone Number	

5-3. Certification of License

Please submit a written certification that you are or you employ a licensed private detective in accordance with the Private Detective Act codified in Rhode Island General Laws (RIGL) Ch. 5-5.

5-4. Additional Licenses

Please provide a list of additional locations for which you are licensed to provide investigative services as requested herein.

5-5. Certification of Good Standing

Please submit written certification that you are in good standing and authorized to conduct business in the State of Rhode Island.

5-6. Conflict of Interest

Please disclose any conflict or perceived conflict of interest you or any key member of your staff may have in providing investigative services to the System.

5-7. Type of Business

Please list the type of business or company that you are authorized to conduct business as such as whether you are a sole proprietorship, a subsidiary or affiliate of another company, a cooperation, limited partnership, etc.

5-8. Key Staff

Please provide the names and brief biographies of key staff who would be assigned to perform the services requested. Include the length of time each key member has been with your firm, and their relevant experience.

5-9. Bidder Experience & Ability

Please describe in detail why you believe that you and/or your business is qualified to provide the requested services. Include all relevant experience dealing with investigations related to: public pension plans; workers' compensation; federal entitlement programs; State assistance programs; and experience conducting financial audits.

5-10. Bidder Office Locations

Please state the location and functions of each of your offices that would provide services to the System.

5-11. Violations

Please disclose whether you have been cited or threatened with any citation(s) or violation(s) within the last five years by any federal or state regulators for violations of any state or federal law or impending regulation or law. If yes, disclose all instances and describe in detail the circumstances and the regulator's final finding.

5-12. Criminal History

Please state whether you or any of your key staff has any criminal convictions during the past five (5) years. If yes, disclose all instances and describe the nature of the allegations and specify the convictions.

5-13. Pending Litigation

Please state whether you have been involved in litigation in the last five years or are currently involved in litigation arising out of your or a key staff's performance or participation as an investigative firm or investigator. If yes, disclose all instances and describe in detail the status of the litigation.

5-14. Pending Mergers

Please disclose whether you have any pending agreements to merge or sell your company.

5-15. Current Clients

As of the date of this RFP issuance, please disclose how many clients you provide services to that are similar to those requested in this request for services.

5-16. Example Cases

Please provide an average or estimated timeline and cost for completing an investigation under the following fact patterns:

- (1) Disability – assisting in obtaining facts regarding a 50 year old ERSRI member receiving a disability pension pursuant to Rhode Island General Law § 36-10-15, who has reported to ERSRI that he/she is gainfully employed as a self-proprietor following retirement from the State, with a reported earned employment income of \$10,000. Include in your response further information that you would need to complete your analysis, recommendations of how and what information you would request from third-parties, and an estimate of the amount of time necessary to complete the investigation (inclusive of written analysis);
- (2) Disability – assisting in obtaining facts regarding a retiree receiving a disability pension from the System pursuant to Rhode Island General Law § 45-21-21 who has self-reported that he has no earned income to the System. Include in your response further information that you would need to complete your analysis, recommendations of how and what information you would request from third-parties, and an estimate of the amount of time necessary to complete the investigation (inclusive of written analysis);
- (3) Teachers' Survivor Benefit – assisting in obtaining facts regarding a retiree receiving a pension pursuant to Rhode Island General Law § 16-16-25, who has self-reported that he

has not remarried. Include in your response further information that you would need to complete your analysis, recommendations of how and what information you would request from third-parties, and an estimate of the amount of time necessary to complete the investigation (inclusive of written analysis).

5-17. References

Please complete the following chart listing two (2) client references:

Reference 1	
Name	
Title	
Mailing Address	
Email Address	
Telephone Number	
Additional Comments	
Reference 2	
Name	
Title	
Mailing Address	
Email Address	
Telephone Number	
Additional Comments	

5-18. Terminated Contracts

Disclose all contracts that were terminated by clients as a result of a material breach.

5-19. Bidder Compliance

Please provide a detailed summary of your compliance procedures regarding providing the services requested in a lawful and professional manner such as a code of ethics or other similar document or policy.

5-20. Fees

Please provide a breakdown of fees for the services requested: (i) based on an hourly rate; (ii) based on a fee per investigation; and (iii) based on an alternative fee structure that you would offer. Please indicate your preferred fee structure and explain why it is preferred.

5-21. Insurance

Please provide proof of professional liability insurance, including a copy of the applicable policy, any applicable tail insurance, and/or details regarding excess coverage. If self-insured please disclose the limits of your liability, and provide proof of excess coverage, if applicable.